

GCPL's Q4FY24 results beat our expectations, with inline sales growth of 6% albeit better margin at 22.3% (up by 230bps YoY) driving the EBITDA (up 18% YoY) beat of 6%; the lower tax rate (at 17%) drove the adj. PAT (up 22% YoY) beat of 15%. Domestic business performance missed expectations, with sales and EBITDA growing 12% each (OPM at 26.6% stood flat YoY). International business reported a 2% decline, affected by reorganization (Rs4.7bn) of the East Africa business; EBITDA expanded 34% YoY, with EBITDA margin expansion of 435bps YoY to 16.1%. The company has recognized the impairment charge of Rs13.9bn towards Brand and Goodwill for the Africa cluster. We will review our estimates after the investor meet scheduled for 7-May-24. We maintain ADD on GCPL, with Mar-25E TP of Rs1,350, on 50x P/E.

Godrej Consumer Products: Financial Snapshot (Consolidated)

Y/E Mar (Rs mn)	FY22	FY23	FY24	FY25E	FY26E
Revenue	122,765	133,160	140,961	154,362	169,690
EBITDA	23,951	24,305	29,435	34,657	38,838
Adj. PAT	17,915	17,459	13,855	23,908	27,675
Adj. EPS (Rs)	17.5	17.1	13.5	23.4	27.1
EBITDA margin (%)	19.5	18.3	20.9	22.5	22.9
EBITDA growth (%)	0.3	1.5	21.1	17.7	12.1
Adj. EPS growth (%)	1.9	(2.6)	(20.6)	72.6	15.8
RoE (%)	17.1	13.9	15.3	18.0	19.3
RoIC (%)	19.8	16.9	18.6	21.1	23.6
P/E (x)	71.4	73.2	92.3	53.5	46.2
EV/EBITDA (x)	52.6	51.2	42.0	35.9	31.9
P/B (x)	11.1	9.3	10.1	9.3	8.7
FCFF yield (%)	0.9	1.6	1.4	2.1	2.3

Source: Company, Emkay Research

Weak domestic performance – Sales and EBITDA grew 12% each in Q4FY24

GCPL's topline grew 6% YoY to Rs34bn (in-line). Domestic revenue grew 12% YoY to Rs20bn, with 15% volume growth. Organic business grew 5% to Rs18.7bn, with 7% vol. growth. HI put up a poor show due to a weak winter in the North and parts of the East. Incense stick launch under a new formulation is seeing positive response. Personal care enjoyed a strong show, with high single-digit volume growth. Hair color, air freshener, and Fabric care saw double-digit vol. growth. Raymond portfolio saw 22% YoY growth to Rs1.37bn (seasonally weak quarter). Domestic EBITDA margin at 26.6% stood flat YoY. In Q1FY25, GCPL has launched *Cinthal Foam Body wash* in select markets, at Rs120/unit.

Better international show drives the EBITDA and PAT beat

Overall international revenue at Rs13.8bn declined 2% vs our expectations of a 10% decline. International EBITDA saw healthy growth of 34%, with 16% EBITDA margin (up by 435bps YoY). Indonesia business reported 15% sales growth (aided by a good show in HI and shift in the Lebaran period to Q4) to Rs5bn, and 34% EBITDA growth to Rs1.3bn (EBITDA margin at 25.2% expanded by 360bps YoY). GAUM cluster revenue declined 23% YoY to Rs5.93bn, affected (by Rs4.7bn) by the reorganization of the East Africa business, whereas EBITDA grew 55% YoY to ~Rs850mn (OPM at 14.3% expanded by 720bps YoY). Other countries (comprising of SAARC and LatAm) saw 41% growth to Rs2.87bn (+262% CC growth), and EBITDA margin stood at 4% (vs 8.5% in Q4FY23).

We maintain ADD, on limited upside potential

During Q4, the company created an impairment charge of Rs13.9bn towards Brand and Goodwill for Africa (including 'Strength Of Nature') and recognized loss of Rs9.3bn on sale of subsidiaries and businesses in East Africa. After a gap of three years, the BOD has declared dividend of Rs15/sh (~75% payout on adjusted PAT). We will review our estimates following the investor meet scheduled for 7-May-24. We maintain ADD, with TP of Rs1,350, on 50x P/E, at 20% premium to its last 5Y avg. fwd. P/E.

Target Price – 12M	Mar-25
Change in TP (%)	-
Current Reco.	ADD
Previous Reco.	ADD
Upside/(Downside) (%)	8.0
CMP (06-May-24) (Rs)	1,250.2

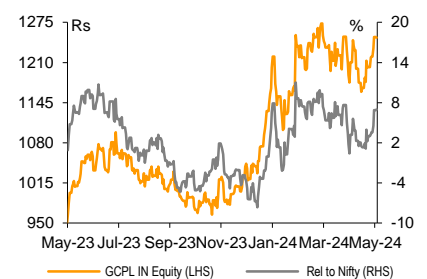
Stock Data

52-week High (Rs)	1,314
52-week Low (Rs)	932
Shares outstanding (mn)	1,022.8
Market-cap (Rs bn)	1,279
Market-cap (USD mn)	15,314
Net-debt, FY25E (Rs mn)	0
ADTV-3M (mn shares)	1
ADTV-3M (Rs mn)	1,149.1
ADTV-3M (USD mn)	13.8
Free float (%)	36.8
Nifty-50	22,443
INR/USD	83.5
Shareholding, Mar-24	
Promoters (%)	63.2
FPIs/MFs (%)	22.6/9.0

Price Performance

(%)	1M	3M	12M
Absolute	3.3	1.1	33.5
Rel. to Nifty	3.6	(1.3)	7.5

1-Year share price trend (Rs)



Nitin Gupta

nitin.gupta@emkayglobal.com
+91 22 6612 1257

Soham Samanta

soham.samanta@emkayglobal.com
+91 22 6612 1262

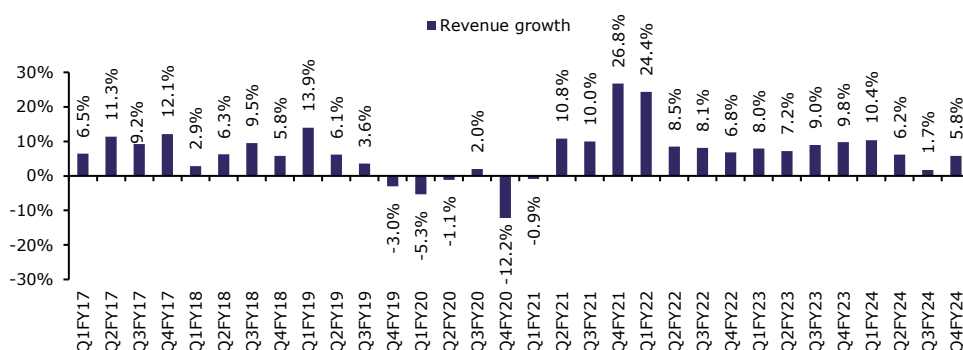
Quarterly performance

Exhibit 1: Q4FY24 performance

Y/E Mar (Rs mn)	Q4FY24	Q4FY23	YoY (%)	Q3FY24	QoQ (%)	Q4FY24E	Var. (%)	FY24	FY23	YoY (%)
Total income	33,856	32,002	5.8	36,596	(7.5)	33,649	0.6	140,961	133,160	5.9
Cost of goods	14,857	15,074	(1.4)	16,143	(8.0)	14,607	1.7	63,203	67,028	(5.7)
Employee expenses	3,237	3,008	7.6	2,761	17.2	3,316	(2.4)	12,493	11,115	12.4
A&P spends	3,063	2,245	36.4	3,433	(10.8)	2,951	3.8	13,359	9,855	35.6
Other expenses	5,142	5,267	(2.4)	5,853	(12.1)	5,644	(8.9)	22,471	20,858	7.7
EBITDA	7,557	6,409	17.9	8,407	(10.1)	7,132	6.0	29,435	24,304	21.1
EBITDA margin (%)	22.3	20.0	230bps	23.0	-70bps	21.2	110bps	20.9	18.3	260bps
Depreciation	499	686	(27.2)	539	(7.4)	552	(9.6)	2,410	2,363	2.0
EBIT	7,058	5,723	23.3	7,868	(10.3)	6,579	7.3	27,025	21,941	23.2
EBITM (%)	20.8	17.9	300bps	21.5	-70bps	19.6		19.2	16.5	270bps
Interest cost	785	525	49.4	666	17.8	721	8.8	2,964	1,757	68.6
Other income	638	579	10.2	701	(8.9)	724	(11.8)	2,690	1,685	59.7
PBT	6,912	5,777	19.6	7,903	(12.5)	6,582	5.0	26,751	21,868	22.3
Tax	1,171	1,086	7.8	2,024	(42.1)	1,607	(27.1)	6,566	4,400	49.2
Tax rate (%)	16.9	18.8		25.6		24.4	(30.6)	24.5	20.1	
Non-recurring items	-24,673	-169		-16		0		-25,737	-443	
PAT	-18,932	4,521	(518.7)	5,864	(422.9)	4,975	(480.6)	-5,552	17,025	(132.6)
Adj. PAT	5,740	4,690	22.4	5,880	(2.4)	4,975	15.4	20,185	17,468	15.6
Net profit margin (%)	17.0	14.7		16.1		14.8		14.3	13.1	
EPS (Rs)	5.6	4.6	22.4	5.7	(2.4)	4.9		19.7	17.1	15.5

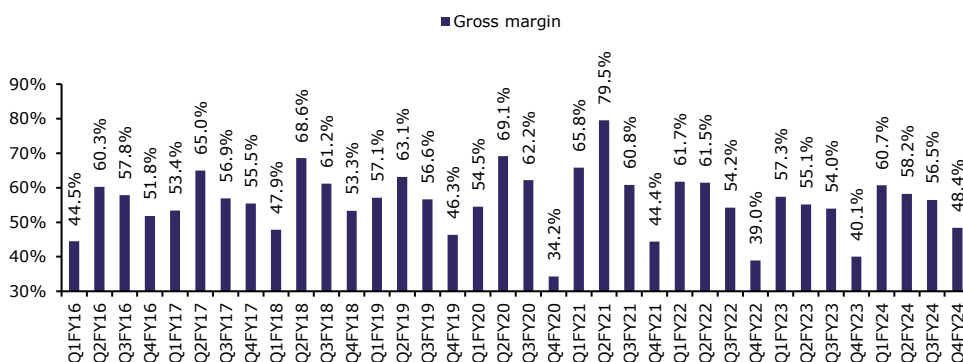
Source: Company, Emkay Research

Exhibit 2: Consolidated revenue growth



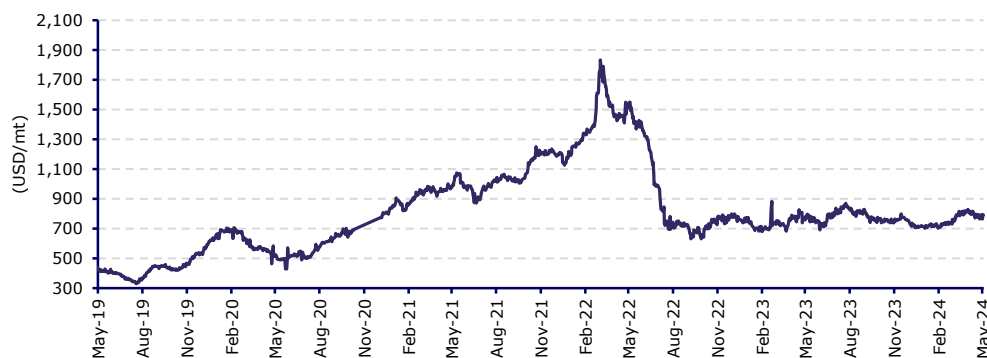
Source: Company, Emkay Research

Exhibit 3: Gross margin trend



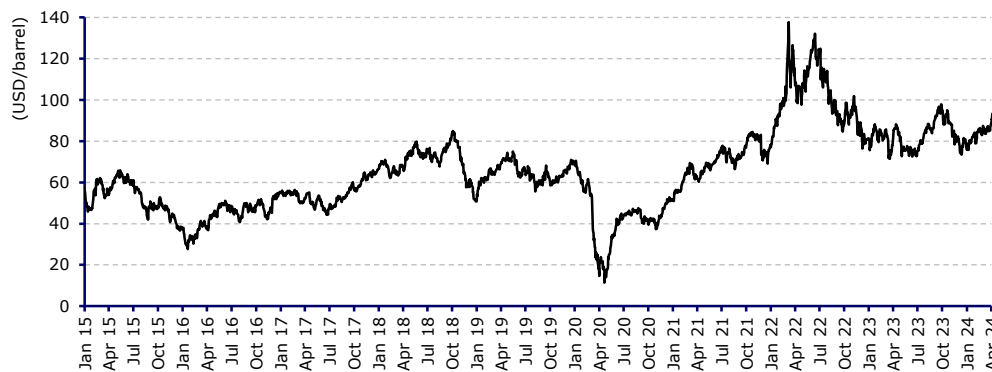
Source: Company, Emkay Research

Exhibit 4: Palm Fatty Acid distillate (PFAD) prices



Source: Bloomberg, Emkay Research

Exhibit 5: HDPE prices



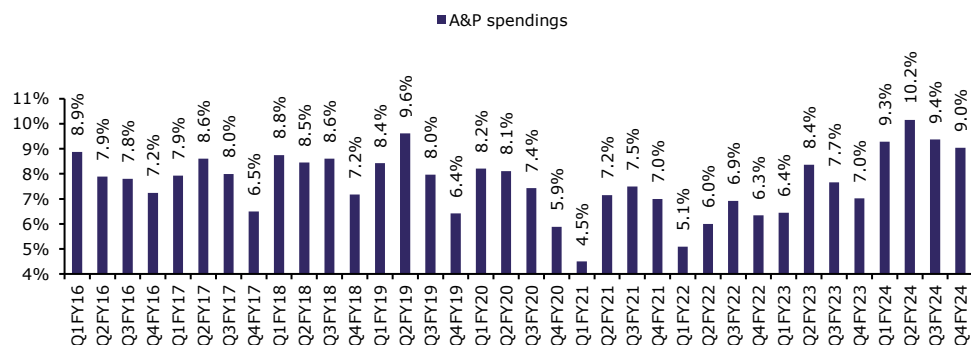
Source: Bloomberg, Emkay Research

Exhibit 6: Crude Oil prices



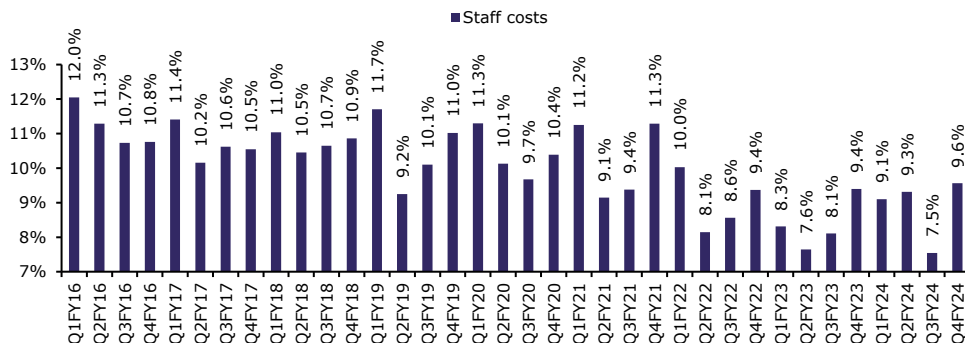
Source: Bloomberg, Emkay Research

Exhibit 7: Advertisement and Promotion spending as a % of sales



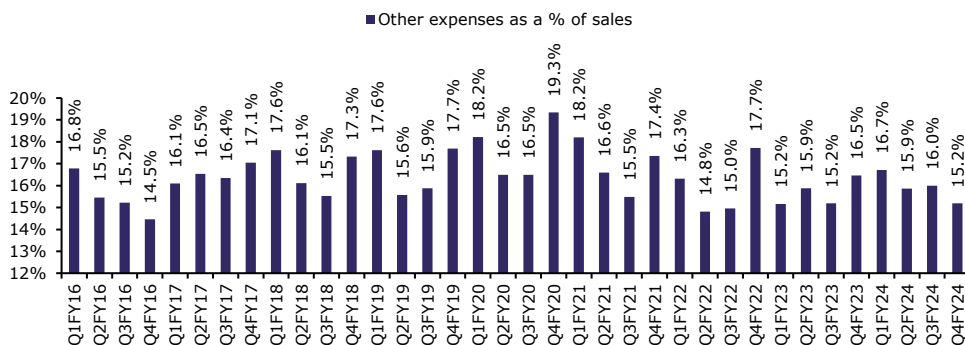
Source: Company, Emkay Research

Exhibit 8: Staff cost as a % of sales



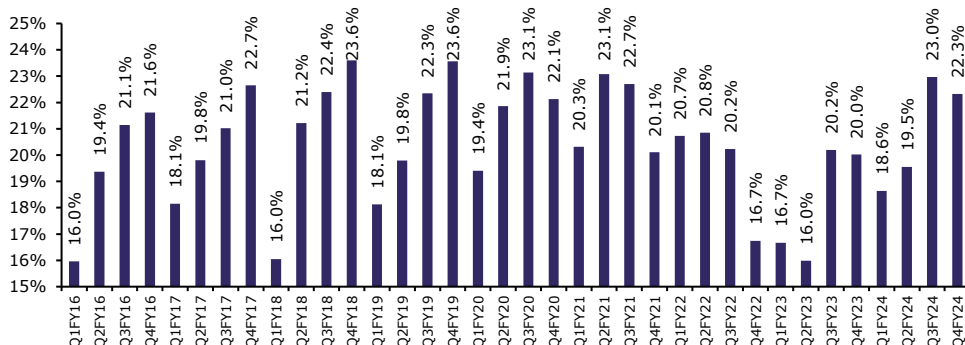
Source: Company, Emkay Research

Exhibit 9: Other expenses as a % of sales



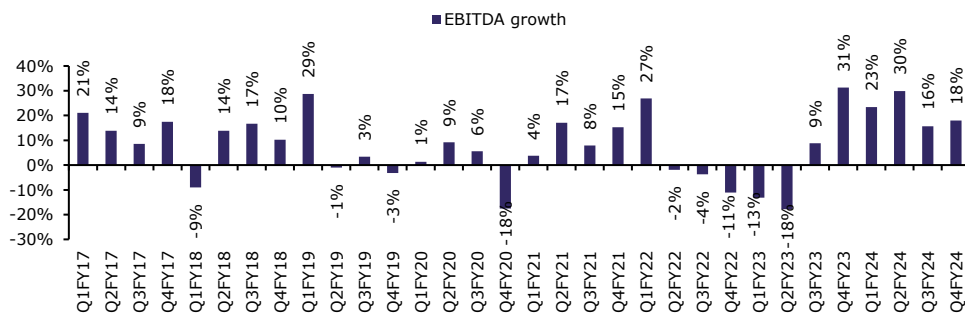
Source: Company, Emkay Research

Exhibit 10: EBITDA margin trend



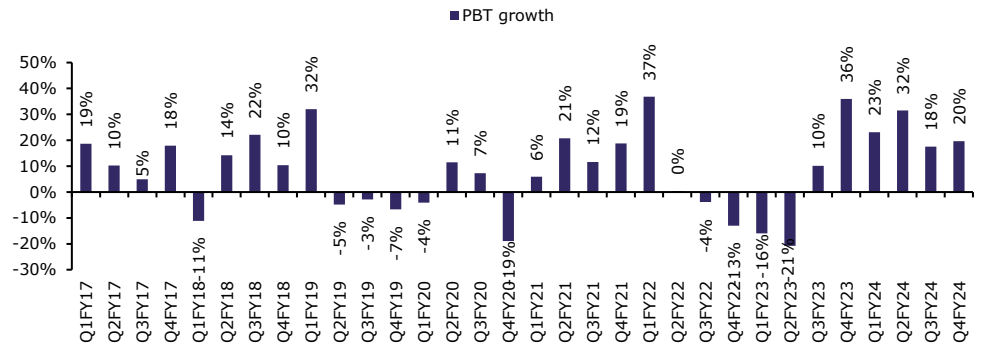
Source: Company, Emkay Research

Exhibit 11: EBITDA growth trend (YoY)



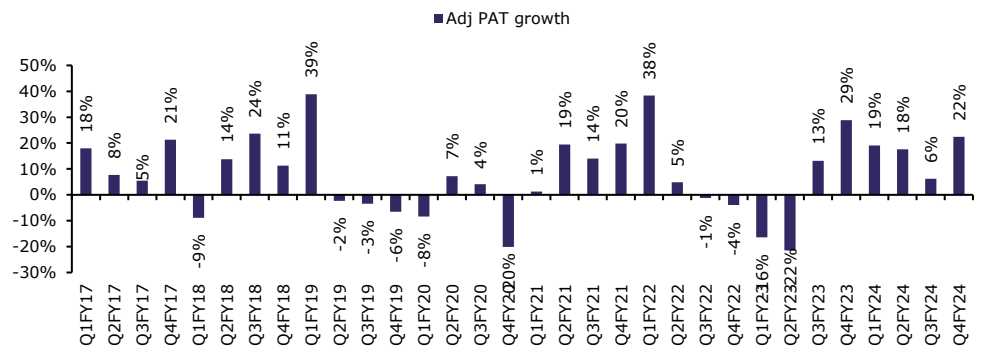
Source: Company, Emkay Research

Exhibit 12: Profit before tax growth (YoY)



Source: Company, Emkay Research

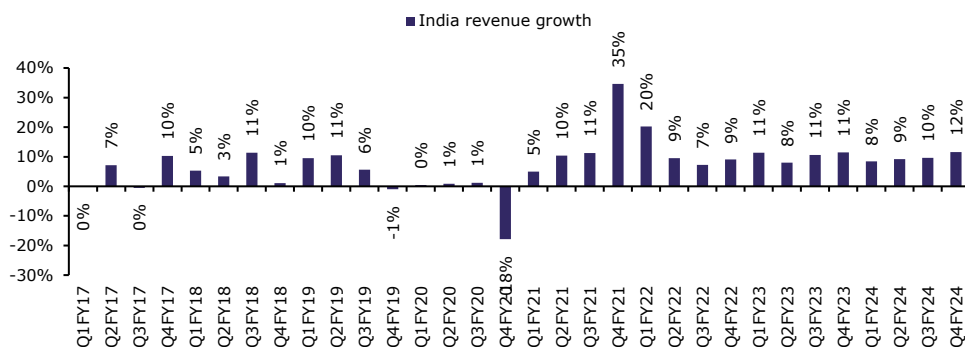
Exhibit 13: Adjusted profit after tax growth (YoY)



Source: Company, Emkay Research

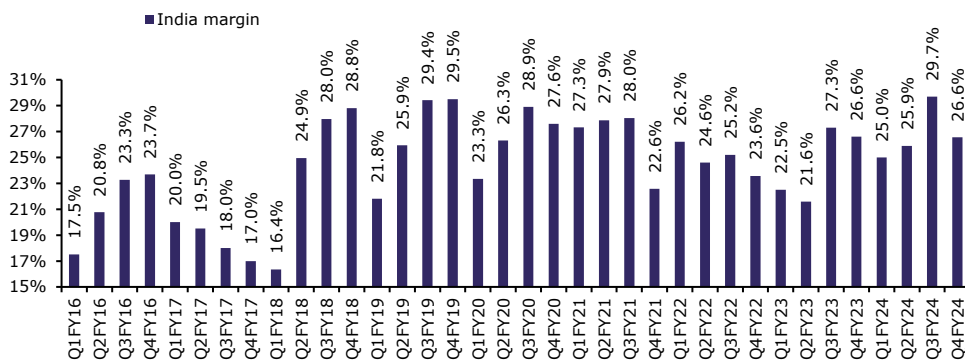
India business performance

Exhibit 14: India business – Revenue growth



Source: Company, Emkay Research

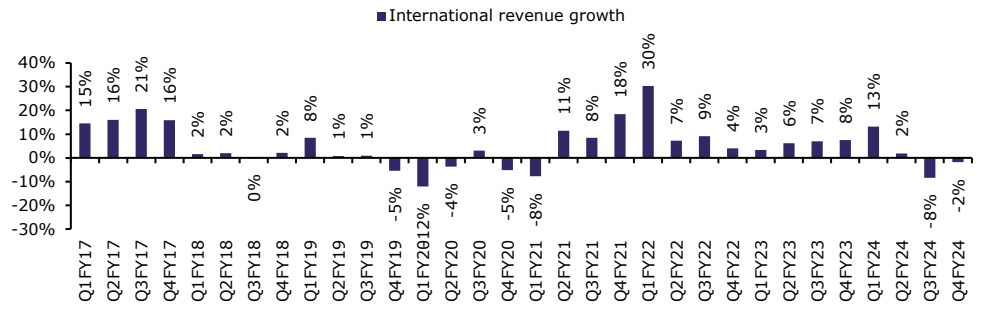
Exhibit 15: India business – EBITDA margin



Source: Company, Emkay Research

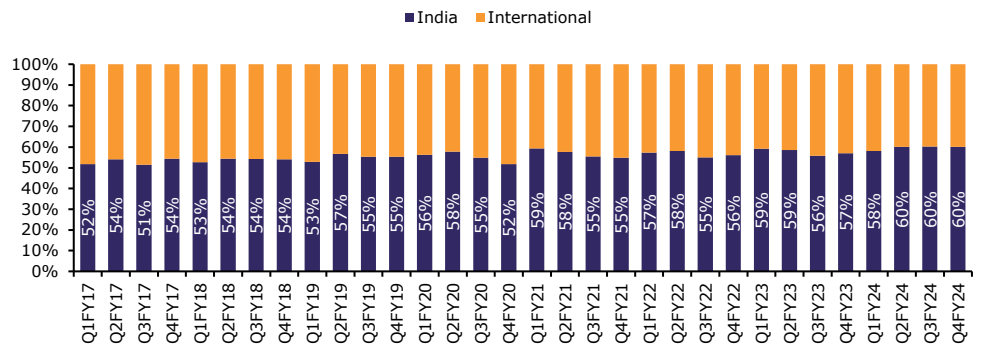
International business performance

Exhibit 16: International business – Revenue growth



Source: Company, Emkay Research

Exhibit 17: Revenue contribution from the India and International businesses



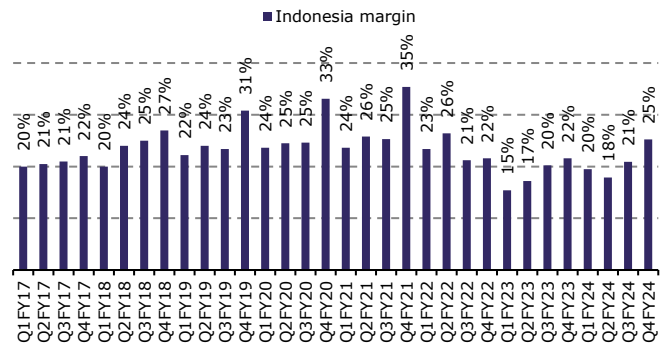
Source: Company, Emkay Research

Exhibit 18: Indonesia business – Sales growth



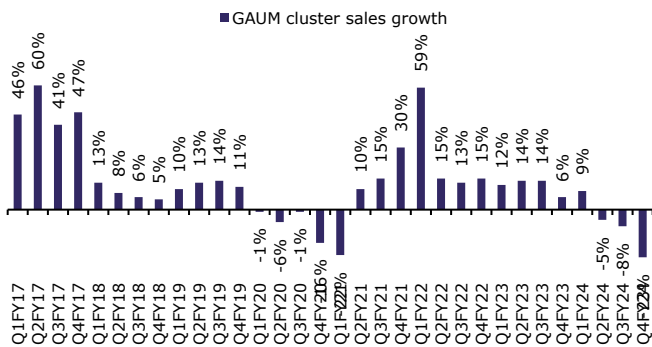
Source: Company, Emkay Research

Exhibit 19: Indonesia business – Margin



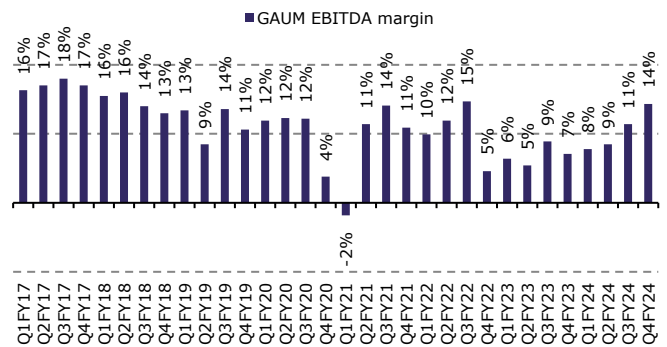
Source: Company, Emkay Research

Exhibit 20: GAUM cluster – Sales growth



Source: Company, Emkay Research

Exhibit 21: GAUM cluster – Margin



Source: Company, Emkay Research

We maintain ADD; Mar-25E TP of Rs1,350

Exhibit 22: GCPL's one-year forward P/E trend



Source: Company, Bloomberg, Emkay Research

Exhibit 23: Key assumptions

	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
Growth							
Domestic Sales growth	-4%	14%	11%	10%	10%	12%	9%
Console Sales growth	-4%	11%	11%	8%	6%	10%	10%
EBITDA growth	-1%	11%	0%	1%	21%	18%	12%
Earnings growth	5%	12%	2%	-3%	16%	18%	16%
Margin							
Gross margin	57%	55%	51%	50%	55%	56%	56%
A&P spends as a % of sales	7%	7%	6%	7%	9%	9%	9%
EBITDA margin	22%	22%	20%	18%	21%	22%	23%
Per share data							
Adj. EPS (Rs)	15.3	17.2	17.5	17.1	19.7	23.4	27.1
DPS (Rs)	8.0	0.0	0.0	0.0	15.0	18.0	19.0
Balance sheet data							
Avg. ROCE	19%	21%	19%	16%	18%	21%	23%
Avg. RoE	21%	20%	17%	14%	15%	18%	19%
Inventory days	63	57	63	42	33	38	36
Receivable days	43	33	33	34	40	33	32
Payable days	91	71	64	50	43	49	49

Source: Company, Emkay Research

Exhibit 24: Changes to Emkay estimates

(Rs mn)	New estimates			Old estimates			Changes to our estimates		
	FY24	FY25E	FY26E	FY24	FY25E	FY26E	FY24E	FY25E	FY26E
Revenue	139,741	152,559	167,114	140,166	153,707	169,181	0%	-1%	-1%
Growth	5.9%	9.5%	9.9%	6.2%	9.7%	10.1%			
EBITDA	29,435	34,662	38,838	29,018	34,804	39,339	1%	0%	-1%
Growth	21.1%	17.8%	12.1%	19.4%	19.9%	13.0%			
EBITDA margin	20.9%	22.4%	22.9%	23.2%	23.8%	24.4%			
Adj PAT	20,185	23,911	27,675	19,602	24,051	28,080	3%	-1%	-1%
Growth	15.6%	18.5%	15.8%	12.3%	22.7%	16.8%			
EPS (Rs)	19.7	23.4	27.1	19.2	23.5	27.5	3%	-1%	-1%

Source: Emkay Research

Exhibit 25: Emkay vs Consensus estimates

(Rs mn)	Emkay estimates			Consensus estimates			Emkay vs Consensus		
	FY24	FY25E	FY26E	FY24	FY25E	FY26E	FY24E	FY25E	FY26E
Revenue	139,741	152,559	167,114	141,509	155,554	172,280	-1%	-2%	-3%
Growth	5.9%	9.5%	9.9%	7.2%	9.9%	10.8%			
EBITDA	29,435	34,662	38,838	29,787	34,522	39,331	-1%	0%	-1%
Growth	21.1%	17.8%	12.1%	22.6%	15.9%	13.9%			
EBITDA margin	20.9%	22.4%	22.9%	21.0%	22.2%	22.8%			
Adj PAT	20,185	23,911	27,675	19,944	24,294	28,504	1%	-2%	-3%
Growth	15.6%	18.5%	15.8%	14.3%	21.8%	17.3%			
EPS (Rs)	19.7	23.4	27.1	19.5	23.8	27.9	1%	-2%	-3%

Source: Emkay Research

Godrej Consumer Products: Consolidated Financials and Valuations

Profit & Loss					
Y/E Mar (Rs mn)	FY22	FY23	FY24	FY25E	FY26E
Revenue	122,765	133,160	140,961	154,362	169,690
Revenue growth (%)	11.3	8.5	5.9	9.5	9.9
EBITDA	23,951	24,305	29,435	34,657	38,838
EBITDA growth (%)	0.3	1.5	21.1	17.7	12.1
Depreciation & Amortization	2,099	2,363	2,410	2,610	2,810
EBIT	21,852	21,942	27,025	32,048	36,028
EBIT growth (%)	0.0	0.4	23.2	18.6	12.4
Other operating income	1,023	1,173	1,220	1,842	2,576
Other income	897	1,684	2,690	1,500	2,100
Financial expense	1,102	1,757	2,964	1,600	1,000
PBT	21,647	21,868	26,751	31,948	37,128
Extraordinary items	0	0	0	0	0
Taxes	3,719	4,303	6,566	8,306	9,653
Minority interest	(3)	0	0	0	0
Income from JV/Associates	0	0	0	0	0
Reported PAT	17,834	17,025	(5,605)	24,667	28,244
PAT growth (%)	3.6	(4.5)	(132.9)	0.0	14.5
Adjusted PAT	17,915	17,459	13,855	23,908	27,675
Diluted EPS (Rs)	17.5	17.1	13.5	23.4	27.1
Diluted EPS growth (%)	1.9	(2.6)	(20.6)	72.6	15.8
DPS (Rs)	0.0	0.0	15.0	13.0	18.0
Dividend payout (%)	0.0	0.0	(273.7)	53.9	65.2
EBITDA margin (%)	19.5	18.3	20.9	22.5	22.9
EBIT margin (%)	17.8	16.5	19.2	20.8	21.2
Effective tax rate (%)	17.2	19.7	24.5	26.0	26.0
NOPLAT (pre-IndAS)	18,098	17,625	20,392	23,715	26,661
Shares outstanding (mn)	1,022.6	1,022.7	1,022.8	1,022.8	1,022.8

Source: Company, Emkay Research

Cash flows					
Y/E Mar (Rs mn)	FY22	FY23	FY24	FY25E	FY26E
PBT	21,647	21,868	26,751	31,948	37,128
Others (non-cash items)	0	0	0	0	0
Taxes paid	(4,475)	(4,185)	(3,739)	(8,306)	(9,653)
Change in NWC	(5,362)	933	(4,560)	2,607	154
Operating cash flow	14,506	21,507	20,699	30,330	32,539
Capital expenditure	(2,765)	(2,197)	(2,766)	(4,719)	(4,500)
Acquisition of business	0	0	0	0	0
Interest & dividend income	590	1,109	2,311	0	0
Investing cash flow	(8,642)	(17,583)	(33,630)	(4,719)	(4,500)
Equity raised/(repaid)	0	0	0	0	0
Debt raised/(repaid)	(2,198)	(6,344)	22,652	(16,546)	(4,000)
Payment of lease liabilities	474	0	0	0	0
Interest paid	(1,123)	(1,116)	(2,620)	(1,500)	(2,100)
Dividend paid (incl tax)	0	0	(5,114)	(13,296)	(18,410)
Others	(477)	(436)	(855)	0	0
Financing cash flow	(3,798)	(7,896)	14,063	(31,343)	(24,510)
Net chg in Cash	2,065	(3,972)	1,132	(5,732)	3,528
OCF	14,506	21,507	20,699	30,330	32,539
Adj. OCF (w/o NWC chg.)	19,867	20,573	25,259	27,722	32,385
FCFF	11,741	19,309	17,933	25,611	28,039
FCFE	11,229	18,661	17,281	24,011	27,039
OCF/EBITDA (%)	60.6	88.5	70.3	87.5	83.8
FCFE/PAT (%)	62.7	106.9	124.7	100.4	97.7
FCFF/NOPLAT (%)	64.9	109.6	87.9	108.0	105.2

Source: Company, Emkay Research

Balance Sheet					
Y/E Mar (Rs mn)	FY22	FY23	FY24	FY25E	FY26E
Share capital	1,023	1,023	1,023	1,023	1,023
Reserves & Surplus	114,537	136,920	124,963	136,333	146,167
Net worth	115,559	137,942	125,986	137,356	147,189
Minority interests	0	0	0	0	0
Deferred tax liability (net)	(6,796)	(6,412)	(2,804)	(2,804)	(2,804)
Total debt	18,136	12,346	33,895	17,453	13,562
Total liabilities & equity	126,900	143,876	157,078	152,006	157,948
Net tangible fixed assets	37,441	40,147	52,381	54,272	55,962
Net intangible assets	53,768	58,223	50,264	50,264	50,264
Net ROU assets	985	967	1,651	1,734	1,820
Capital WIP	1,164	454	782	1,000	1,000
Goodwill	53,768	58,223	50,264	50,264	50,264
Investments [JV/Associates]	0	0	0	0	0
Cash & equivalents	24,301	36,880	43,441	38,882	43,305
Current assets (ex-cash)	37,352	32,256	34,249	36,164	38,411
Current Liab. & Prov.	27,126	24,085	24,040	28,576	30,995
NWC (ex-cash)	10,226	8,171	10,209	7,588	7,417
Total assets	126,900	143,876	157,077	152,006	157,948
Net debt	(19,399)	(33,939)	(41,768)	(33,158)	(41,531)
Capital employed	113,665	134,471	124,856	140,276	146,160
Invested capital	101,435	106,541	112,855	112,124	113,643
BVPS (Rs)	113.0	134.9	123.2	134.3	143.9
Net Debt/Equity (x)	(0.2)	(0.2)	(0.3)	(0.2)	(0.3)
Net Debt/EBITDA (x)	(0.8)	(1.4)	(1.4)	(1.0)	(1.1)
Interest coverage (x)	0.0	0.1	0.1	0.0	0.0
RoCE (%)	21.9	19.0	22.9	25.3	26.6

Source: Company, Emkay Research

Valuations and key Ratios					
Y/E Mar	FY22	FY23	FY24	FY25E	FY26E
P/E (x)	71.4	73.2	92.3	53.5	46.2
P/CE(x)	63.8	64.2	56.6	48.7	42.2
P/B (x)	11.1	9.3	10.1	9.3	8.7
EV/Sales (x)	10.3	9.4	8.9	8.2	7.4
EV/EBITDA (x)	52.6	51.2	42.0	35.9	31.9
EV/EBIT(x)	57.6	56.7	45.8	38.9	34.3
EV/IC (x)	12.4	11.7	11.0	11.1	10.9
FCFF yield (%)	0.9	1.6	1.4	2.1	2.3
FCFE yield (%)	0.9	1.5	1.4	1.9	2.1
Dividend yield (%)	0.0	0.0	1.2	1.0	1.4
DuPont-RoE split					
Net profit margin (%)	14.6	13.2	14.3	15.3	16.2
Total asset turnover (x)	1.2	1.1	1.1	1.2	1.2
Assets/Equity (x)	1.0	1.0	1.0	1.0	1.0
RoE (%)	17.1	13.9	15.3	18.0	19.3
DuPont-RoIC					
NOPLAT margin (%)	14.7	13.2	14.5	15.4	15.7
IC turnover (x)	1.3	1.3	1.3	1.4	1.5
RoIC (%)	19.8	16.9	18.6	21.1	23.6
Operating metrics					
Core NWC days	(19.9)	(13.3)	(9.1)	(10.4)	(14.1)
Total NWC days	30.4	22.4	26.4	17.9	16.0
Fixed asset turnover	1.2	1.2	1.2	1.3	1.4
Opex-to-revenue (%)	31.0	31.4	34.3	33.5	32.7

Source: Company, Emkay Research

This report is intended for team.emkay@whitemarquesolutions.com use and downloaded at 06/27/2024 04:53 PM

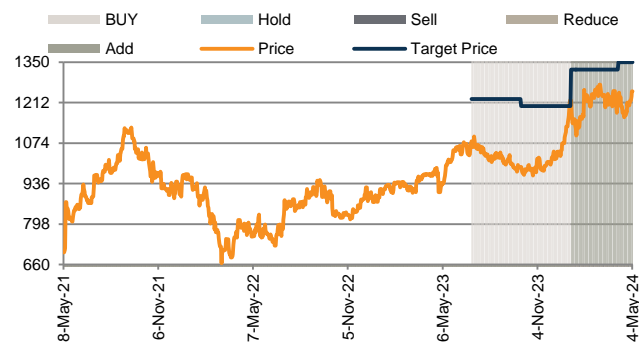
Emkay Research is also available on www.emkayglobal.com and Bloomberg EMKAY<GO>. Please refer to the last page of the report on Restrictions on Distribution. In Singapore, this research report or research analyses may only be distributed to Institutional Investors, Expert Investors or Accredited Investors as defined in the Securities and Futures Act, Chapter 289 of Singapore.

RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (INR)	TP (INR)	Rating	Analyst
15-Apr-24	1,177	1,350	Add	Nitin Gupta
07-Apr-24	1,210	1,350	Add	Nitin Gupta
14-Mar-24	1,227	1,325	Add	Nitin Gupta
20-Feb-24	1,228	1,325	Add	Nitin Gupta
01-Feb-24	1,255	1,325	Add	Nitin Gupta
23-Jan-24	1,130	1,325	Add	Nitin Gupta
07-Jan-24	1,220	1,325	Add	Nitin Gupta
12-Dec-23	1,032	1,200	Buy	Nitin Gupta
30-Nov-23	1,008	1,200	Buy	Nitin Gupta
24-Nov-23	1,010	1,200	Buy	Nitin Gupta
17-Nov-23	997	1,200	Buy	Nitin Gupta
01-Nov-23	975	1,200	Buy	Nitin Gupta
20-Oct-23	988	1,200	Buy	Nitin Gupta
03-Oct-23	993	1,200	Buy	Nitin Gupta
28-Aug-23	1,028	1,225	Buy	Nitin Gupta
15-Aug-23	1,036	1,225	Buy	Nitin Gupta
08-Aug-23	1,009	1,225	Buy	Nitin Gupta
30-Jun-23	1,081	1,225	Buy	Nitin Gupta

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

GENERAL DISCLOSURE/DISCLAIMER BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL):

Emkay Global Financial Services Limited (CIN-L67120MH1995PLC084899) and its affiliates are a full-service, brokerage, investment banking, investment management and financing group. Emkay Global Financial Services Limited (EGFSL) along with its affiliates are participants in virtually all securities trading markets in India. EGFSL was established in 1995 and is one of India's leading brokerage and distribution house. EGFSL is a corporate trading member of BSE Limited (BSE), National Stock Exchange of India Limited (NSE), MCX Stock Exchange Limited (MCX-SX), Multi Commodity Exchange of India Ltd (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) (hereinafter referred to as "Stock Exchange(s)"). EGFSL along with its [affiliates] offers the most comprehensive avenues for investments and is engaged in the businesses including stock broking (Institutional and retail), merchant banking, commodity broking, depository participant, portfolio management and services rendered in connection with distribution of primary market issues and financial products like mutual funds, fixed deposits. Details of associates are available on our website i.e. www.emkayglobal.com.

EGFSL is registered as Research Analyst with the Securities and Exchange Board of India ("SEBI") bearing registration Number INH000000354 as per SEBI (Research Analysts) Regulations, 2014. EGFSL hereby declares that it has not defaulted with any Stock Exchange nor its activities were suspended by any Stock Exchange with whom it is registered in last five years. However, SEBI and Stock Exchanges had conducted their routine inspection and based on their observations have issued advice letters or levied minor penalty on EGFSL for certain operational deviations in ordinary/routine course of business. EGFSL has not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has its certificate of registration been cancelled by SEBI at any point of time.

EGFSL offers research services to its existing clients as well as prospects. The analyst for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the clients simultaneously, not all clients may receive this report at the same time. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient.

EGFSL and/or its affiliates may seek investment banking or other business from the company or companies that are the subject of this material. EGFSL may have issued or may issue other reports (on technical or fundamental analysis basis) of the same subject company that are inconsistent with and reach different conclusion from the information, recommendations or information presented in this report or are contrary to those contained in this report. Users of this report may visit www.emkayglobal.com to view all Research Reports of EGFSL. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the research published by any other analyst or by associate entities of EGFSL; our proprietary trading, investment businesses or other associate entities may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest including but not limited to those stated herein. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein. All material presented in this report, unless specifically indicated otherwise, is under copyright to Emkay. None of the material, nor its content, nor any copy of it, may be altered in any way, transmitted to, copied or distributed to any other party, without the prior express written permission of EGFSL. All trademarks, service marks and logos used in this report are trademarks or registered trademarks of EGFSL or its affiliates. The information contained herein is not intended for publication or distribution or circulation in any manner whatsoever and any unauthorized reading, dissemination, distribution or copying of this communication is prohibited unless otherwise expressly authorized. Please ensure that you have read "Risk Disclosure Document for Capital Market and Derivatives Segments" as prescribed by Securities and Exchange Board of India before investing in Indian Securities Market. In so far as this report includes current or historic information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

This report has not been reviewed or authorized by any regulatory authority. There is no planned schedule or frequency for updating research report relating to any issuer/subject company.

Please contact the primary analyst for valuation methodologies and assumptions associated with the covered companies or price targets.

Disclaimer for U.S. persons only: Research report is a product of Emkay Global Financial Services Ltd., under Marco Polo Securities 15a6 chaperone service, which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of Financial Institutions Regulatory Authority (FINRA) or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

This report is intended for distribution to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a 6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor. In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors. Emkay Global Financial Services Ltd. has entered into a chaperoning agreement with a U.S. registered broker-dealer, Marco Polo Securities Inc. ("Marco Polo"). Transactions in securities discussed in this research report should be effected through Marco Polo or another U.S. registered broker dealer.

RESTRICTIONS ON DISTRIBUTION

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. Except otherwise restricted by laws or regulations, this report is intended only for qualified, professional, institutional or sophisticated investors as defined in the laws and regulations of such jurisdictions. Specifically, this document does not constitute an offer to or solicitation to any U.S. person for the purchase or sale of any financial instrument or as an official confirmation of any transaction to any U.S. person. Unless otherwise stated, this message should not be construed as official confirmation of any transaction. No part of this document may be distributed in Canada or used by private customers in United Kingdom.

ANALYST CERTIFICATION BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL)

The research analyst(s) primarily responsible for the content of this research report, in part or in whole, certifies that the views about the companies and their securities expressed in this report accurately reflect his/her personal views. The analyst(s) also certifies that no part of his/her compensation was, is, or will be, directly or indirectly, related to specific recommendations or views expressed in the report. The research analyst (s) primarily responsible of the content of this research report, in part or in whole, certifies that he or his associated persons¹ may have served as an officer, director or employee of the issuer or the new listing applicant (which includes in the case of a real estate investment trust, an officer of the management company of the real estate investment trust; and in the case of any other entity, an officer or its equivalent counterparty of the entity who is responsible for the management of the issuer or the new listing applicant). The research analyst(s) primarily responsible for the content of this research report or his associate may have Financial Interests² in relation to an issuer or a new listing applicant that the analyst reviews. EGFSL has procedures in place to eliminate, avoid and manage any potential conflicts of interests that may arise in connection with the production of research reports. The research analyst(s) responsible for this report operates as part of a separate and independent team to the investment banking function of the EGFSL and procedures are in place to ensure that confidential information held by either the research or investment banking function is handled appropriately. There is no direct link of EGFSL compensation to any specific investment banking function of the EGFSL.

¹ An associated person is defined as (i) who reports directly or indirectly to such a research analyst in connection with the preparation of the reports; or (ii) another person accustomed or obliged to act in accordance with the directions or instructions of the analyst.

² Financial Interest is defined as interest that are commonly known financial interest, such as investment in the securities in respect of an issuer or a new listing applicant, or financial accommodation arrangement between the issuer or the new listing applicant and the firm or analysis. This term does not include commercial lending conducted at the arm's length, or investments in any collective investment scheme other than an issuer or new listing applicant notwithstanding the fact that the scheme has investments in securities in respect of an issuer or a new listing applicant.

COMPANY-SPECIFIC / REGULATORY DISCLOSURES BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL):

Disclosures by Emkay Global Financial Services Limited (Research Entity) and its Research Analyst under SEBI (Research Analyst) Regulations, 2014 with reference to the subject company(s) covered in this report:-

- EGFSL, its subsidiaries and/or other affiliates and Research Analyst or his/her associate/relative's may have Financial Interest/proprietary positions in the securities recommended in this report as of May 7, 2024
- EGFSL, and/or Research Analyst does not market make in equity securities of the issuer(s) or company(ies) mentioned in this Report
Disclosure of previous investment recommendation produced:
- EGFSL may have published other investment recommendations in respect of the same securities / instruments recommended in this research report during the preceding 12 months. Please contact the primary analyst listed in the first page of this report to view previous investment recommendations published by EGFSL in the preceding 12 months.
- EGFSL, its subsidiaries and/or other affiliates and Research Analyst or his/her relative's may have material conflict of interest in the securities recommended in this report as of May 7, 2024
- EGFSL, its affiliates and Research Analyst or his/her associate/relative's may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the May 7, 2024
- EGFSL or its associates may have managed or co-managed public offering of securities for the subject company in the past twelve months.
- EGFSL, its affiliates and Research Analyst or his/her associate may have received compensation in whatever form including compensation for investment banking or merchant banking or brokerage services or for products or services other than investment banking or merchant banking or brokerage services from securities recommended in this report (subject company) in the past 12 months.
- EGFSL, its affiliates and/or and Research Analyst or his/her associate may have received any compensation or other benefits from the subject company or third party in connection with this research report.

Emkay Rating Distribution

Ratings	Expected Return within the next 12-18 months.
BUY	>15% upside
ADD	5-15% upside
REDUCE	5% upside to 15% downside
SELL	<15% downside

Emkay Global Financial Services Ltd.

CIN - L67120MH1995PLC084899

7th Floor, The Ruby, Senapati Bapat Marg, Dadar - West, Mumbai - 400028. India
Tel: +91 22 66121212 Fax: +91 22 66121299 Web: www.emkayglobal.com

OTHER DISCLAIMERS AND DISCLOSURES:**Other disclosures by Emkay Global Financial Services Limited (Research Entity) and its Research Analyst under SEBI (Research Analyst) Regulations, 2014 with reference to the subject company(s) :-**

EGFSL or its associates may have financial interest in the subject company.

Research Analyst or his/her associate/relative's may have financial interest in the subject company.

EGFSL or its associates and Research Analyst or his/her associate/ relative's may have material conflict of interest in the subject company. The research Analyst or research entity (EGFSL) have not been engaged in market making activity for the subject company.

EGFSL or its associates may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of public appearance or publication of Research Report.

Research Analyst or his/her associate/relatives may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of public appearance or publication of Research Report.

Research Analyst may have served as an officer, director or employee of the subject company.

EGFSL or its affiliates may have received any compensation including for investment banking or merchant banking or brokerage services from the subject company in the past 12 months. . Emkay may have issued or may issue other reports that are inconsistent with and reach different conclusion from the information, recommendations or information presented in this report or are contrary to those contained in this report. Emkay Investors may visit www.emkayglobal.com to view all Research Reports. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the research published by any other analyst or by associate entities of Emkay; our proprietary trading, investment businesses or other associate entities may make investment decisions that are inconsistent with the recommendations expressed herein. EGFSL or its associates may have received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past 12 months. EGFSL or its associates may have received any compensation or other benefits from the Subject Company or third party in connection with the research report. EGFSL or its associates may have received compensation from the subject company in the past twelve months. Subject Company may have been client of EGFSL or its affiliates during twelve months preceding the date of distribution of the research report and EGFSL or its affiliates may have co-managed public offering of securities for the subject company in the past twelve months.